Application No.: 10/604,924 Attorney Docket No.: 29031.0002
Amendment Dated: January 31, 2007 Customer No.: 35161

Reply to Office Action of: July 31, 2006

## **AMENDMENTS TO THE CLAIMS:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

1. (currently amended) A method of purchasing a customized storage medium, <u>as</u> shown in Figure 3 comprising the steps of: accessing a terminal, said terminal having access to at least one recorded item and including at least one storage medium;

providing a sample of the recorded material selected that a user can listen to or view in said terminal on a seat or bench

selecting at least one of said at least one recorded item; adding said selected at least one recorded item to a list; recording said at least one selected item to said storage medium; dispensing said storage medium; and dispensing a case to contain said storage medium.

- 2. (original) The method of claim 1 further comprising the step of previewing said selected at least one recorded item.
- 3. (currently amended) The method of claim 1 further comprising the steps of: designing a label; and printing said label on one of a protective said case and said storage medium.
- 4. (original) The method of claim 1 further including the step of including said list on said label
- 5. (currently amended) The method of claim 1 further comprising the step of selecting a payment type selected from the group consisting of credit card, automatic debit, and cash.
- 6. (original) The method of claim 1 further comprising the step of affixing a magnetic strip to said case.
- 7. (original) The method of claim 6 further including the step of paying a cashier.

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8. (original) The method of claim 1 further comprising the step of recording data on a data collection server.

- 9. (original) The method of claim 8 further comprising the step of accessing the recorded data.
- 10. (currently amended) A system for selectively storing audio and visual recorded material onto a storage medium, comprising:
- a terminal having access to recorded material and configured to download recorded material selected by a user to a storage medium; and
- a dispenser connected to said terminal configured to distribute said storage medium having said selected recorded material recorded thereon as shown in Figure 3.
- 11. (original) The system of claim 10, wherein said terminal includes a hard drive with recorded material stored therein.
- 12. (original) The system of claim 10, wherein said terminal is communicatively connected to a supply server having recorded material stored therein.
- 13. (original) The system of claim 11, wherein said terminal is communicatively connected to an internet.
- 14. (original) The system of claim 12, wherein said supply server is communicatively connected to an internet.
- 15. (original) The system of claim 10, wherein said terminal is communicatively connected to a data collection server.
- 16. (original) The system of claim 15, wherein said data collection server is communicatively connected to an internet.
- 17. (original) The system of claim 16, wherein said data collection server is

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communicatively connected to a website accessible by third parties.

- 18. (original) The system of claim 15, wherein said data collection server collects data related to quantity of sales of said selected recorded materials.
- 19. (original) The system of claim 17, wherein said third parties are copyright owners.
- 20. (currently amended) A method of purchasing recorded material <u>from a user's</u> home via the internet as shown in Figure 3, comprising the steps of:

selecting at least one recorded item from a list of recorded items available for purchase; purchasing said at least one recorded item;

collecting sales data on a server related to the quantity of sales of said at least one recorded item;

communicating said data to an internet website; and accessing said data to determine applicable royalty payments due; and downloading the recorded material to a storage medium on a user's computer.